

<i>SERFF Tracking Number:</i>	<i>AETN-126940379</i>	<i>State:</i>	<i>California</i>
<i>Filing Company:</i>	<i>Aetna Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>PF-2010-02396</i>
<i>Company Tracking Number:</i>	<i>CA-2010-12</i>		
<i>TOI:</i>	<i>H16I Individual Health - Major Medical</i>	<i>Sub-TOI:</i>	<i>H16I.005A Individual - Preferred Provider (PPO)</i>
<i>Product Name:</i>	<i>Individual Medical</i>		
<i>Project Name/Number:</i>	<i>CA 2Q11 CP Existing Business/CA-2010-12</i>		

Filing at a Glance

Company: Aetna Life Insurance Company	SERFF Tr Num: AETN-126940379	State: California
Product Name: Individual Medical	SERFF Status: Assigned	State Tr Num: PF-2010-02396
TOI: H16I Individual Health - Major Medical	Co Tr Num: CA-2010-12	State Status:
Sub-TOI: H16I.005A Individual - Preferred Provider (PPO)		
Filing Type: Rate		Reviewer(s): Angela Jang, Bruce Hinze, Sai-on Sam, Ali Zaker-Shahrak, Xiangchen Meng
	Authors: Beatriz Girasulo, James Zheng, James Lescoe, Joshua Fox	Disposition Date:
	Date Submitted: 12/16/2010	Disposition Status:
Implementation Date Requested: 04/01/2011		Implementation Date:

General Information

Project Name: CA 2Q11 CP Existing Business	Status of Filing in Domicile: Not Filed
Project Number: CA-2010-12	Date Approved in Domicile:
Requested Filing Mode: Combination	Domicile Status Comments: Not required to be filed in Connecticut.
Explanation for Combination/Other: File & Acknowledge	Market Type: Individual
Submission Type: New Submission	Individual Market Type:
Overall Rate Impact:	Filing Status Changed: 12/17/2010
	State Status Changed:
Deemer Date:	Created By: James Lescoe
Submitted By: James Lescoe	Corresponding Filing Tracking Number:
PPACA: Not PPACA-Related	
PPACA Notes: null	
Filing Description:	
We enclose, for your Department's filing, a rate filing for our existing business on the above referenced approved form. This filing applies to existing business issued July 1, 2009 and later. The rates for these Individual Advantage plans will become effective on April 1, 2011. These rates are 2.8% higher than the rates in the prior filing.	

The rates and plan designs contained in this filing do not use gender as a rating variable and comply with requirements

<i>SERFF Tracking Number:</i>	<i>AETN-126940379</i>	<i>State:</i>	<i>California</i>
<i>Filing Company:</i>	<i>Aetna Life Insurance Company</i>	<i>State Tracking Number:</i>	<i>PF-2010-02396</i>
<i>Company Tracking Number:</i>	<i>CA-2010-12</i>		
<i>TOI:</i>	<i>H16I Individual Health - Major Medical</i>	<i>Sub-TOI:</i>	<i>H16I.005A Individual - Preferred Provider (PPO)</i>

Product Name: *Individual Medical*
Project Name/Number: *CA 2Q11 CP Existing Business/CA-2010-12*

of the Affordable Care Act (ACA).

Please note that members in this block of business generally receive rate changes only on policy anniversary. As such, these rates will apply to policies that renew on April 1, 2011 and later.

Supporting documentation for this filing and the above noted changes includes the following:

- Document Submission Form
- Actuarial Memorandum and Certification
- Exhibit A - Demographic Factors
- Exhibit B - Rating Area Definitions and Factors
- Exhibit C - Lifetime Loss Ratio Projections
- Rate Tables for each of the benefit plans

Company and Contact

Filing Contact Information

James Lescoe, Assistant Actuary	LescoeJ@aetna.com
151 Farmington Ave	860-273-0123 [Phone]
Hartford, CT 06156	

Filing Company Information

Aetna Life Insurance Company	CoCode: 60054	State of Domicile: Connecticut
151 Farmington Avenue	Group Code: 1	Company Type:
Hartford, CT 06156	Group Name:	State ID Number:
(860) 273-7546 ext. [Phone]	FEIN Number: 06-6033492	

Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	
Per Company:	No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Aetna Life Insurance Company	\$0.00		

CALIFORNIA DEPARTMENT OF INSURANCE

Reset Form

FILING COVER SHEET for FORMS FILINGS with the POLICY APPROVAL BUREAU

(Suggested for use as the cover letter required by Title 10, California Code of Regulations §2205.)

TO: State of California Department of Insurance Policy Approval Bureau 45 Fremont Street San Francisco, CA 94105	FROM: (Official Insurer Name): AETNA LIFE INSURANCE COMPANY
	Submitter and Complete Mailing Address: James T. Lescoe, 151 Farmington Ave - RW2A, Hartford, CT 06156
	Submission Date: 12/13/10

1. IDENTIFYING FORM NUMBER(S): GR-11741, GR-11741-LME
 [The form number(s) of one or more of the documents submitted by which the filing can be identified. §2205(a)]

2. DOCUMENT CLASS [The subdivision of 10 CCR §2202(a) which best describes the forms submitted. (§2205(b))]

Generic Description and Definition Citation	<u>Check Below</u>		Generic Description and Definition Citation	<u>Check Below</u>
Health Insurance [Hospital, medical, surgical insurance, expense-incurred or indemnity. §2202(a)(1)]	<input checked="" type="checkbox"/>		Credit Life and Disability [§2202(a)(6)]	
Group and Blanket Life and Non-health Disability [§2202(a)(2)]			Supplemental Life Benefits [§2202(a)(7)]	
Individual Disability, Non-health [§2202(a)(3)]			Variable Life and Annuities [§2202(a)(8)]	
Medicare Supplement [§2202(a)(4)]			Fraternal [Non-health Disability. §2202(a)(9)]	
Long-Term Care [§2202(a)(5)]			Unclassified [§2202(a)(11)]	

* Describe briefly (documents other than those described above may have to be filed with other Department Bureaus; see §2206):

3. GROUP AND/OR INDIVIDUAL [Are the forms group, individual or used in both contexts? §2205(b)]

Group Only:		Individual Only:	<input checked="" type="checkbox"/>	Group and Individual:	
-------------	--	------------------	-------------------------------------	-----------------------	--

4. EMPLOYER SIZE (Employer Health Insurance Only) [Where the forms submitted provide health coverage through employment, the minimum and the maximum sizes of the employers in terms of number of employees §2205(c)]

2 to 50 Employees:		Over 50 Employees:		All Employers:	
--------------------	--	--------------------	--	----------------	--

5. REPLACES PREVIOUSLY-APPROVED DOCUMENT(S)? [Do any documents replace previously-approved documents. §2205(d)]

6. FINAL PRINT FORM? [List those documents NOT in the final printed form in which they will be issued to insureds §2205(e)]

<u>Document(s)</u>	<u>Document(s)</u>

7. TYPE OF DOCUMENT WITH WHICH IT WILL BE USED [For each document (such as a rider) which is designed to be used with another document not included in the filing, a statement of the document class with which it is to be used. §2205(f)]

<u>Document Form Number</u>	<u>Document Class (from Item 2, above)</u>
11826-2 Ed. 4/06	Unclassified (Dental)

8. Master Policy Form Number and Approval Date: _____

[Where a certificate is submitted for use with a previously approved "group" document, the form number and the filing or approval date of the previously approved group document. §2205(g)]

9. IF ABOVE INFORMATION CANNOT BE FURNISHED, EXPLAIN WHY. [If the submitter is unable to furnish the information requested above, explain why. §2205(h)]

10. REMARKS AND ADDITIONAL INFORMATION (Attach additional sheets if necessary):

SUBMITTER'S SIGNATURE AND TITLE: James W. Lecoe Actuary I



Aetna Life Insurance Company
151 Farmington Avenue, RW2A
Hartford, CT 06156

James T. Lescoe
Individual Actuarial
860-273-0251 (phone)
860-902-8517 (fax)
Lescoe.J@aetna.com

December 13, 2010

California Department of Insurance
Policy Approval Bureau
45 Fremont St., 24th floor
San Francisco, CA 94105

Subject: Aetna Life Insurance Company, NAIC No. 00160054
Form GR-11741 (03-09), GR-11741-SOC 02/10, GR-11741-LME (03-09),
GR-11741-LME SOC (03-09), et al.
Aetna Tracking: CA-2010-12

Dear Sir/Madam:

We enclose, for your Department's filing, a rate filing for our existing business on the above referenced approved form. This filing applies to existing business issued July 1, 2009 and later. The rates for these Individual Advantage plans will become effective on April 1, 2011. These rates are 2.8% higher than the rates in the prior filing.

The rates and plan designs contained in this filing do not use gender as a rating variable and comply with requirements of the Affordable Care Act (ACA).

Please note that members in this block of business generally receive rate changes only on policy anniversary. As such, these rates will apply to policies that renew on April 1, 2011 and later.

Supporting documentation for this filing and the above noted changes includes the following:

- Document Submission Form
- Actuarial Memorandum and Certification
- Exhibit A - Demographic Factors
- Exhibit B - Rating Area Definitions and Factors
- Exhibit C - Lifetime Loss Ratio Projections
- Rate Tables for each of the benefit plans

We trust that you will find everything in order. If you have any questions regarding this filing, please do not hesitate to contact me at the address or telephone number shown above.

Very truly yours,

A handwritten signature in black ink that reads "James T. Lescoe". The signature is written in a cursive, flowing style.

James T. Lescoe
Actuary I

AETNA LIFE INSURANCE COMPANY

Actuarial Memorandum Aetna Tracking CA-2010-12

**Form GR-11741 (03-09), GR-11741-SOC 02/10, GR-11741-LME (03-09), GR-11741-LME SOC (03-09), et al.
(Comprehensive Medical Expense PPO Policy and Limited Medical Expense PPO Policy)**

Purpose, Scope and Effective Date

The purpose of this filing is to file premium rates for Individual Advantage Medical benefit plan designs. With regards to the existing Individual Advantage benefit plans, these plans will continue to be available to existing members, but we will not be actively marketing these plans to new members. These policies provide comprehensive and limited medical expense benefits and apply a calendar year deductible of:

- \$0 (First Dollar 30 – version 07012009);
- \$0 (First Dollar 40 – version 07012009);
- \$2,500 (MC 2,500 plan – version 07012009);
- \$3,500 (MC 3,500 plan – version 07012009);
- \$5,000 (MC 5,000 plan – version 07012009);
- \$7,500 (MC 7,500 – version 07012009);
- \$1,500 (MC Value 1,500 plan – version 07012009);
- \$2,500 (MC Value 2,500 plan – version 07012009);
- \$5,000 (MC Value 5,000 plan – version 07012009);
- \$8,000 (MC Value 8,000 plan – version 07012009);
- \$3,000 (High Deductible MC 3,000 – version 07012009);
- \$5,000 (High Deductible MC 5,000 – version 07012009);
- \$1,250 (Preventive and Hospital Care \$1,250 – version 07012009);
- \$3,000 (Preventive and Hospital Care \$3,000 – version 07012009);
- \$2,500 (MC 2,500 with Limited Rx plan – version 07012009);
- \$5,000 (MC 5,000 with Limited Rx plan – version 07012009);
- \$6,500 (MC 6,500 plan – version 07012009);

The above-listed plan designs comply with HCR changes mandated for applicability to grandfathered business contracts issued with original effective dates prior to March 23, 2010 and non-grandfathered business contracts issued with original effective dates of March 23, 2010 through September 30, 2010.

Specifically, this filing includes:

- Revised rate levels that incorporate a 2.8% increase over current rates. Note that this increase will result in renewal rate changes for members originally effective April 1, 2010 – June 30, 2010 that are the combination of rate changes submitted in filings PF-2010-01256 (annual rate level/factor adjustments) and PF-2010-01916 (HCR changes and gender neutral rates).

The effective date of the rates in this filing is April 1, 2011.

Applicability

These rates are intended to apply upon renewal to plans originally issued between April 1, 2010 and June 30, 2010.

Demographic Factors

There are no changes to the demographic factors from the last filing applicable to existing business. Age factors are included in Exhibit A.

Area Factors

There are no changes to the geographic area definitions or associated factors included in our previous filing. A complete description of rating area definitions and the corresponding area factors is included in the attached Exhibit B.

Benefit Changes

There are no changes to the plan designs from the last filing applicable to existing business.

Experience by area

<u>Plan</u>	<u>Member Months</u>	<u>Incurred Claims</u>	<u>Earned Premium</u>	<u>Loss Ratio</u>
Rating Area 1	180,297	25,686,149	32,682,098	78.6%
Rating Area 2	77,593	12,416,554	16,301,150	76.2%
Rating Area 3	47,590	5,972,231	9,311,454	64.1%
Rating Area 4	148,147	24,334,245	30,030,598	81.0%
Rating Area 5	70,373	11,288,727	16,236,970	69.5%
Rating Area 6	113,126	23,315,424	26,377,278	88.4%
Rating Area 7	64,108	9,461,566	13,025,027	72.6%
Rating Area 8	47,979	8,586,205	9,426,739	91.1%
Rating Area 9	6,888	931,756	1,413,025	65.9%
Unknown Rating Area	911	58,276	205,450	28.4%
Total	757,012	\$122,051,134	\$155,009,788	78.7%

· Experience period 8/01/2009 through 7/31/2010 and paid through 9/30/2010 not adjusted for high claims

Experience by plan design

<u>Plan</u>	<u>Member Months</u>	<u>Incurred Claims</u>	<u>Earned Premium</u>	<u>Loss Ratio</u>
MC 500	4,880	1,463,032	2,188,342	66.9%
MC 1500	17,424	12,479,055	8,474,289	147.3%
MC 2500	195,724	38,284,406	43,112,363	88.8%
MC 3500	13,279	1,806,836	2,519,973	71.7%
MC 5000	223,990	27,399,340	37,448,118	73.2%
MC 7500	2,722	101,956	462,336	22.1%
First Dollar 25	1,770	783,633	620,677	126.3%
First Dollar 30	36,186	6,159,856	8,794,549	70.0%
First Dollar 40	13,891	2,477,194	2,948,522	84.0%
High Deductible 2750	3,904	1,123,835	1,053,039	106.7%
High Deductible 3000	56,512	7,618,478	12,025,016	63.4%
High Deductible 5000	39,068	5,139,808	8,497,274	60.5%
Preventative & Hospital 1250	6,089	751,479	1,024,811	73.3%
Preventative & Hospital 3000	10,925	1,090,012	1,928,083	56.5%
MC Value 1500	27,369	4,360,748	6,181,846	70.5%
MC Value 2500	29,499	2,398,895	5,274,980	45.5%
MC Value 5000	42,567	6,045,470	7,698,168	78.5%
MC Value 8000	25,215	1,803,190	3,675,408	49.1%
MC 2500 with Limited Rx	513	13,857	94,986	14.6%
MC 5000 with Limited Rx	3,995	253,967	667,692	38.0%
Total	757,012	\$122,051,134	\$155,009,788	78.7%

· Experience period 8/01/2009 through 7/31/2010 and paid through 9/30/2010 not adjusted for high claims

· Totals include a small amount of membership for other/unknown plans.

Premium Rate Development

We start with the final plan-specific base rates underlying the rate tables in our previous rate filing and apply a trend adjustment factor ($1.09 / 1.06 = 1.0283$) to carry these rates from January 1, 2011 to April 1, 2011.

Revised Base Rates are as follows:

<u>Benefit Plan</u>	<u>Base Rate</u> <u>eff 01-2011</u>	<u>Trend</u> <u>Adjustment</u> <u>Factor</u>	<u>Plan-</u> <u>Specific</u> <u>Base Rate</u> <u>eff 04-2011</u>
First Dollar 30 – v. 07-2009	359.80	1.0283	369.98
First Dollar 40 – v. 07-2009	274.72	1.0283	282.50
MC 2,500 plan – v. 07-2009	257.46	1.0283	264.75
MC 3,500 plan – v. 07-2009	213.73	1.0283	219.78
MC 5,000 plan – v. 07-2009	186.50	1.0283	191.78
MC 7,500 – v. 07-2009	147.12	1.0283	151.28
MC Value 1,500 plan – v. 07-2009	235.93	1.0283	242.61
MC Value 2,500 plan – v. 07-2009	189.40	1.0283	194.76
MC Value 5,000 plan – v. 07-2009	160.97	1.0283	165.52
MC Value 8,000 plan – v. 07-2009	116.93	1.0283	120.24
High Deductible MC 3,000 – v. 07-2009	231.17	1.0283	237.71
High Deductible MC 5,000 – v. 07-2009	192.85	1.0283	198.30
Preventive and Hospital Care \$1,250 – v. 07-2009	148.38	1.0283	152.58
Preventive and Hospital Care \$3,000 – v. 07-2009	129.26	1.0283	132.92
MC 2,500 with Limited Rx plan – v. 07-2009	242.47	1.0283	249.33
MC 5,000 with Limited Rx plan – v. 07-2009	170.49	1.0283	175.32
MC 6,500 plan – v. 07-2009	181.76	1.0283	186.90

Monthly premium rates by plan for our standard risk classification are developed by calculating the product of the following: 1) the Base Premium Rate; 2) the applicable Demographic Factors, as provided in Exhibit A; and 3) the applicable Rating Area Factor, as shown in Exhibit B.

Please note that the attached rate tables start with the July 1, 2010 equivalent rate level and apply age and area factors (as displayed in Exhibits A and B). These rates are rounded to the nearest dollar and then a trend adjustment factor of 1.09 is applied to the rounded rates. As a result, there may be some differences between the attached rate tables (the development of which mirrors the methodology applied by our rating systems) and the rates that would be calculated by applying the age and area factors directly to the base rates listed above.

Resulting monthly premium rates are listed in the accompanying rate tables.

Lifetime Loss Ratio

Please see attached Exhibit C for details on the lifetime loss ratio projections. All lifetime and future projected loss ratios exceed the 70% minimum requirement.

Proposed Effective Date

We are proposing an effective date of April 1, 2011.

Underwriting and Premium Classes

Policy forms are subject to medical underwriting. For grandfathered policies, this filing proposes no changes to the general underwriting guidelines or our currently filed premium classifications discussed in our most recent rate filing. For non-grandfathered policies, our underwriting guidelines have been changed such that no children under the age of 19 will be declined coverage as the result of pre-existing conditions.

For business issued on and after July 1, 2009, premiums by plan are based on attained age and underwriting classification. We issue policies at eleven different underwriting levels.

The lowest underwriting level is our standard level, which has no rate-up. There will be ten additional underwriting levels comprised of rate-up factors ranging from 10% to 100%. Rate-up factors will be assigned in increments of 10% up to a rate-up of 100%. The final rate for the underwritten policy will be determined as the standard rate multiplied by $(1 + \text{rate-up-factor})$.

The underwriting classification is assigned at the time the policy is issued, and will not be changed by Aetna if a member's health deteriorates after purchasing coverage. However, if the member applies to change their benefits, we will consider the member's medical condition at the time of the change request. If their health status at the time of the request warrants a different underwriting classification, then the member can accept the new coverage at the different underwriting classification or remain in their current coverage at their current underwriting classification.

We have developed underwriting guidelines, which determine the appropriate underwriting classification to place prospective members. These underwriting guidelines are based on the anticipated additional cost that would be attributable to the member's known medical conditions. These additional costs are based upon the judgment of medical personnel of the likelihood and frequency of necessary treatment for the known medical conditions as well as the cost of that treatment.

Actuarial Certification

Aetna Life Insurance Company

I hereby certify that to the best of my knowledge and judgment, this rate filing is in compliance with the applicable laws and regulations of the state of California. I also assert that the benefits are reasonable in relation to the premiums, and that the calculations are based on my best estimate of the future experience. I further attest that all lifetime and future projected loss ratios exceed the 70% minimum requirement.



James Zheng, FSA, MAAA

December 16, 2010

Date: _____

Telephone No.: (860) 273-0366

AETNA LIFE INSURANCE COMPANY
Aetna Tracking CA-2010-12
Exhibit A - Demographic Factors

First Dollar Plans		Value 1500		Value 2500, MC 2500, MC 2500 with Limited Rx		High Deductible MC 5000		High Deductible MC 3000		All Other Plans	
Age	Unisex	Age	Unisex	Age	Unisex	Age	Unisex	Age	Unisex	Age	Unisex
0	1.5684	0	1.4807	0	1.4040	0	1.3492	0	1.3983	0	1.3492
1	0.9410	1	0.8885	1	0.8424	1	0.8095	1	0.8390	1	0.8095
2	0.5019	2	0.4738	2	0.4493	2	0.4317	2	0.4474	2	0.4317
3	0.5019	3	0.4738	3	0.4493	3	0.4317	3	0.4474	3	0.4317
4	0.5019	4	0.4738	4	0.4493	4	0.4317	4	0.4474	4	0.4317
5	0.5019	5	0.4738	5	0.4493	5	0.4317	5	0.4474	5	0.4317
6	0.5019	6	0.4738	6	0.4493	6	0.4317	6	0.4474	6	0.4317
7	0.5019	7	0.4738	7	0.4493	7	0.4317	7	0.4474	7	0.4317
8	0.5019	8	0.4738	8	0.4493	8	0.4317	8	0.4474	8	0.4317
9	0.5019	9	0.4738	9	0.4493	9	0.4317	9	0.4474	9	0.4317
10	0.5019	10	0.4738	10	0.4493	10	0.4317	10	0.4474	10	0.4317
11	0.5019	11	0.4738	11	0.4493	11	0.4317	11	0.4474	11	0.4317
12	0.5019	12	0.4738	12	0.4493	12	0.4317	12	0.4474	12	0.4317
13	0.5220	13	0.4928	13	0.4672	13	0.4490	13	0.4653	13	0.4490
14	0.5428	14	0.5125	14	0.4859	14	0.4669	14	0.4839	14	0.4669
15	0.5645	15	0.5330	15	0.5054	15	0.4856	15	0.5033	15	0.4856
16	0.5871	16	0.5543	16	0.5256	16	0.5050	16	0.5234	16	0.5050
17	0.6106	17	0.5765	17	0.5466	17	0.5252	17	0.5444	17	0.5252
18	0.6350	18	0.5995	18	0.5685	18	0.5462	18	0.5661	18	0.5462
19	0.6438	19	0.6120	19	0.5843	19	0.6040	19	0.5819	19	0.5645
20	0.6595	20	0.6275	20	0.5995	20	0.5795	20	0.5970	20	0.5795
21	0.6752	21	0.6429	21	0.6146	21	0.5946	21	0.6121	21	0.5946
22	0.6903	22	0.6596	22	0.6327	22	0.6135	22	0.6301	22	0.6135
23	0.7054	23	0.6762	23	0.6508	23	0.6325	23	0.6480	23	0.6325
24	0.7205	24	0.6930	24	0.6688	24	0.6515	24	0.6660	24	0.6515
25	0.7356	25	0.7096	25	0.6868	25	0.6705	25	0.6840	25	0.6705
26	0.7507	26	0.7263	26	0.7049	26	0.6895	26	0.7020	26	0.6895
27	0.7658	27	0.7429	27	0.7229	27	0.7085	27	0.7199	27	0.7085
28	0.8003	28	0.7793	28	0.7609	28	0.7477	28	0.7578	28	0.7477
29	0.8349	29	0.8157	29	0.7989	29	0.7869	29	0.7956	29	0.7869
30	0.8694	30	0.8521	30	0.8369	30	0.8261	30	0.8334	30	0.8261
31	0.9039	31	0.8885	31	0.8749	31	0.8652	31	0.8713	31	0.8652
32	0.9385	32	0.9248	32	0.9129	32	0.9044	32	0.9091	32	0.9044
33	0.9508	33	0.9399	33	0.9303	33	0.9236	33	0.9273	33	0.9236
34	0.9631	34	0.9549	34	0.9478	34	0.9427	34	0.9455	34	0.9427
35	0.9754	35	0.9699	35	0.9652	35	0.9618	35	0.9637	35	0.9618
36	0.9877	36	0.9850	36	0.9826	36	0.9809	36	0.9818	36	0.9809
37	1.0000	37	1.0000	37	1.0000	37	1.0000	37	1.0000	37	1.0000
38	1.0256	38	1.0285	38	1.0311	38	1.0329	38	1.0301	38	1.0329
39	1.0511	39	1.0570	39	1.0622	39	1.0658	39	1.0602	39	1.0658
40	1.0767	40	1.0856	40	1.0932	40	1.0988	40	1.0904	40	1.0988
41	1.1023	41	1.1140	41	1.1244	41	1.1317	41	1.1205	41	1.1317
42	1.1279	42	1.1426	42	1.1554	42	1.1646	42	1.1506	42	1.1646
43	1.1894	43	1.2086	43	1.2253	43	1.2373	43	1.2202	43	1.2373
44	1.2509	44	1.2746	44	1.2952	44	1.3099	44	1.2898	44	1.3099
45	1.3125	45	1.3406	45	1.3651	45	1.3827	45	1.3595	45	1.3827
46	1.3740	46	1.4065	46	1.4350	46	1.4553	46	1.4291	46	1.4553
47	1.4356	47	1.4725	47	1.5049	47	1.5280	47	1.4987	47	1.5280
48	1.4888	48	1.5313	48	1.5686	48	1.5951	48	1.5621	48	1.5951
49	1.5421	49	1.5902	49	1.6322	49	1.6623	49	1.6255	49	1.6623
50	1.5953	50	1.6490	50	1.6959	50	1.7294	50	1.6889	50	1.7294
51	1.6486	51	1.7078	51	1.7596	51	1.7966	51	1.7524	51	1.7966
52	1.7019	52	1.7666	52	1.8233	52	1.8637	52	1.8158	52	1.8637
53	1.7697	53	1.8409	53	1.9032	53	1.9477	53	1.8954	53	1.9477
54	1.8375	54	1.9152	54	1.9832	54	2.0318	54	1.9750	54	2.0318
55	1.9054	55	1.9895	55	2.0631	55	2.1157	55	2.0546	55	2.1157
56	1.9732	56	2.0638	56	2.1431	56	2.1997	56	2.1342	56	2.1997
57	2.0411	57	2.1380	57	2.2230	57	2.2838	57	2.2139	57	2.2838
58	2.1524	58	2.2596	58	2.3534	58	2.4205	58	2.3437	58	2.4205
59	2.2638	59	2.3811	59	2.4838	59	2.5573	59	2.4736	59	2.5573
60	2.3751	60	2.5026	60	2.6143	60	2.6940	60	2.6035	60	2.6940
61	2.4865	61	2.6241	61	2.7447	61	2.8308	61	2.7334	61	2.8308
62	2.5978	62	2.7457	62	2.8751	62	2.9676	62	2.8633	62	2.9676
63	2.7374	63	2.8932	63	3.0295	63	3.1270	63	3.0171	63	3.1270
64	2.8769	64	3.0407	64	3.1840	64	3.2863	64	3.1708	64	3.2863
65+	3.0165	65+	3.1881	65+	3.3384	65+	3.4457	65+	3.3246	65+	3.4457

Applicability: Plans effective 7-1-09 through 12-31-10

Note: These are member-level factors. Member-level rates will be added together for policies covering more than 1 member.

AETNA LIFE INSURANCE COMPANY
Aetna Tracking CA-2010-12
Exhibit B - Area Factors

Rating Area	Counties	Area Factors by Plan Issue Date
		7-1-09 through 6-30-10
1	San Diego	0.8060
2	Orange (926-928)	0.8570
3	Los Angeles (905-908,917)	0.7490
4	Los Angeles (910-916, 918, 935), Imperial, Riverside, San Bernardino, Ventura (913)	0.9220
5	Los Angeles (900-904, all other not in Area 3 or 4)	1.0000
6	Alameda, Contra Costa, Marin, Monterey, San Benito, San Francisco, San Mateo, Santa Clara, Santa Cruz	1.0230
7	Alpine, Calaveras, Fresno, Inyo, Kern, Kings, Madera, Mariposa, Merced, Mono, San Joaquin, San Luis Obispo, Santa Barbara, Stanislaus, Tulare, Tuolumne, Ventura (excluding 913)	0.7950
8	Amador, El Dorado, Napa, Placer, Sacramento, Solano, Sonoma, Yolo	0.9300
9	Butte, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Nevada, Plumas, Shasta, Sierra, Siskiyou, Sutter, Tehama, Trinity, Yuba	0.8420

AETNA LIFE INSURANCE COMPANY
Aetna Tracking CA-2010-12
Exhibit C: Lifetime Loss Ratio Projections

Lifetime Loss Ratio for Plans with No Deductible

Experience Period	Member Months	Aggregate		Incurred Loss Ratio	PMPM			
		Earned Premium	Incurred Claims		Earned Premium	Incurred Claims	Credibility Adj	Adj Loss Ratio
01/01/2006 through 12/31/2006								
01/01/2007 through 12/31/2007	1,748	\$423,672	\$262,970	62.1%	\$242.38	\$150.44	14.7%	76.8%
01/01/2008 through 12/31/2008	17,036	\$3,991,432	\$2,348,924	58.8%	\$234.29	\$137.88	14.7%	73.5%
01/01/2009 through 12/31/2009	45,621	\$9,963,161	\$8,028,710	80.6%	\$218.39	\$175.99	14.7%	95.3%
01/01/2010 through 07/31/2010	31,204	\$7,645,938	\$5,616,758	73.5%	\$245.03	\$180.00	14.7%	88.2%
08/01/2010 through 12/31/2010	22,860	\$6,352,712	\$4,771,475	75.1%	\$277.90	\$208.73	14.7%	89.8%
01/01/2011 through 06/30/2011	24,506	\$7,648,643	\$5,782,453	75.6%	\$312.11	\$235.96	14.7%	90.3%
07/01/2011 through 06/30/2012	35,775	\$12,650,903	\$9,772,241	77.2%	\$353.62	\$273.16	14.7%	91.9%
07/01/2012 through 06/30/2013	23,338	\$9,350,513	\$7,526,142	80.5%	\$400.66	\$322.48	14.7%	95.2%
07/01/2013 through 06/30/2014	15,202	\$6,900,847	\$5,641,972	81.8%	\$453.94	\$371.13	14.7%	96.5%
07/01/2014 through 06/30/2015	9,922	\$5,058,021	\$4,133,235	81.7%	\$509.78	\$416.57	14.7%	96.4%
07/01/2015 through 06/30/2016	6,477	\$3,707,961	\$3,051,136	82.3%	\$572.48	\$471.07	14.7%	97.0%
07/01/2016 through 06/30/2017	2,765	\$1,777,608	\$1,467,825	82.6%	\$642.90	\$530.86	14.7%	97.3%
TOTAL		\$75,471,411	\$58,403,840					
Accumulated Value of Historical Period (1/2006- 12/2010)		\$30,165,507	\$22,268,087	73.8%				88.5%
Present Value of Future Period (1/2011 - 12/2017)		<u>\$42,524,199</u>	<u>\$33,604,131</u>	<u>79.0%</u>				<u>93.7%</u>
Total Lifetime		\$72,689,706	\$55,872,218	76.9%				91.6%

- Experience period 08/01/2009 to 07/31/2010 and paid through 09/30/2010 used for the development of premiums and claims.
- Membership for future periods based on actual membership at 07/31/10 and projected monthly with 4.0% new sales assumed through 12/31/2010 and 0% thereafter. Lapse rate of approximately 3.5% monthly.
- Earned premium in aggregate equals earned premium pmpm multiplied by member months.
- Incurred claims in aggregate equals incurred claim pmpm multiplied by member months.
- Earned premium pmpm. Aggregate proposed rate increase of 4.2% is assumed on 1/1/2011.
- Assumed premium pmpm increases of 13.3% annually for 7/2011 - 6/2014 and 12.3% for 7/2014 and later.
- Assumed incurred claims pmpm increase of 4.2% on 1/1/2011 due to benefit enhancements and member selection.
- Assumed incurred claims pmpm trend of 12.3% annually.
- Assumed incurred claims pmpm increase with claim selection assumption of 1.9% for 8/2010 – 12/2010 and 0% thereafter.
- Assumed incurred claims pmpm increase with underwriting wear-off off of 5.2% for 8/10 – 12/10, 2.9% for 1/11 – 6/11, 6.1% for 7/11 – 6/12, 5.1% for 7/12 – 6/13, 2.5% for 7/13 – 6/14, -0.1% for 7/14 – 6/15, 0.7% for 7/15 – 6/16, and 0.3% for 7/16 – 6/17.
- Annual interest rate of 5% used in present value calculations.
- Incurred loss ratio equals incurred claims divided by earned premium.
- Credibility adjustment based on average membership in the experience period.

Lifetime Loss Ratio for Plans with Deductible of \$2,500 or Less

<u>Experience Period</u>	<u>Member Months</u>	<u>Aggregate</u>		<u>Incurred Loss Ratio</u>	<u>PMPM</u>			
		<u>Earned Premium</u>	<u>Incurred Claims</u>		<u>Earned Premium</u>	<u>Incurred Claims</u>	<u>Credibility Adj</u>	<u>Loss Ratio</u>
01/01/2006 through 12/31/2006	84,680	\$12,472,658	\$8,921,493	71.5%	\$147.29	\$105.36	5.9%	77.4%
01/01/2007 through 12/31/2007	216,113	\$35,427,471	\$29,074,073	82.1%	\$163.93	\$134.53	5.9%	88.0%
01/01/2008 through 12/31/2008	284,430	\$53,076,671	\$43,022,701	81.1%	\$186.61	\$151.26	5.9%	87.0%
01/01/2009 through 12/31/2009	289,204	\$63,047,663	\$54,092,648	85.8%	\$218.00	\$187.04	5.9%	91.7%
01/01/2010 through 07/31/2010	163,880	\$39,132,689	\$35,881,565	91.7%	\$238.79	\$218.95	5.9%	97.6%
08/01/2010 through 12/31/2010	121,432	\$32,176,166	\$29,242,499	90.9%	\$264.97	\$240.81	5.9%	96.8%
01/01/2011 through 06/30/2011	130,162	\$38,349,612	\$35,380,201	92.3%	\$294.63	\$271.82	5.9%	98.2%
07/01/2011 through 06/30/2012	190,004	\$63,706,209	\$60,585,315	95.1%	\$335.29	\$318.86	5.9%	101.0%
07/01/2012 through 06/30/2013	123,916	\$47,281,219	\$46,811,604	99.0%	\$381.56	\$377.77	5.9%	104.9%
07/01/2013 through 06/30/2014	80,794	\$35,081,863	\$35,484,588	101.1%	\$434.21	\$439.20	5.9%	107.0%
07/01/2014 through 06/30/2015	52,679	\$25,801,810	\$26,577,578	103.0%	\$489.79	\$504.52	5.9%	108.9%
07/01/2015 through 06/30/2016	34,341	\$18,972,942	\$19,751,479	104.1%	\$552.49	\$575.16	5.9%	110.0%
07/01/2016 through 06/30/2017	14,609	\$9,104,400	\$9,524,220	104.6%	\$623.20	\$651.94	5.9%	110.5%
TOTAL		\$473,631,372	\$434,349,964					
Accumulated Value of Historical Period (1/2006- 12/2010)		\$259,131,322	\$219,299,168	84.6%				90.5%
<u>Present Value of Future Period (1/2011 - 12/2017)</u>		<u>\$215,061,273</u>	<u>\$210,201,534</u>	<u>97.7%</u>				<u>103.6%</u>
Total Lifetime		\$474,192,595	\$429,500,702	90.6%				96.5%

- 1 Experience period 08/01/2009 to 07/31/2010 and paid through 09/30/2010 used for the development of premiums and claims.
2. Membership for future periods based on actual membership at 07/31/10 and projected monthly with 4.0% new sales assumed through 12/31/2010 and 0% thereafter. Lapse rate of approximately 3.5% monthly.
3. Earned premium in aggregate equals earned premium pmpm multiplied by member months.
4. Incurred claims in aggregate equals incurred claim pmpm multiplied by member months.
5. Earned premium pmpm. Aggregate proposed rate increase of 4.4% is assumed on 1/1/2011.
6. Assumed premium pmpm increases of 13.8% annually for 7/2011 - 6/2014 and 12.8% for 7/2014 and later.
7. Assumed incurred claims pmpm increase of 4.4% on 1/1/2011 due to benefit enhancements and member selection.
8. Assumed incurred claims pmpm trend of 12.8% annually.
9. Assumed incurred claims pmpm increase with claim selection assumption of 1.9% for 8/2010 – 12/2010 and 0% thereafter.
10. Assumed incurred claims pmpm increase with underwriting wear-off off of 5.4% for 8/10 – 12/10, 2.3% for 1/11 – 6/11, 7.2% for 7/11 – 6/12, 5.0% for 7/12 – 6/13, 3.1% for 7/13 – 6/14, 1.8% for 7/14 – 6/15, 1.1% for 7/15 – 6/16, and 0.5% for 7/16 – 6/17.
11. Annual interest rate of 5% used in present value calculations.
12. Incurred loss ratio equals incurred claims divided by earned premium.
13. Credibility adjustment based on average membership in the experience period.

Lifetime Loss Ratio for Plans with Deductible of Greater Than \$2,500

<u>Experience Period</u>	<u>Member Months</u>	<u>Aggregate</u>		<u>Incurred Loss Ratio</u>	<u>PMPM</u>			
		<u>Earned Premium</u>	<u>Incurred Claims</u>		<u>Earned Premium</u>	<u>Incurred Claims</u>	<u>Credibility</u>	<u>Adj Loss Ratio</u>
01/01/2006 through 12/31/2006	52,218	\$6,158,199	\$2,640,960	42.9%	\$117.93	\$50.58	4.6%	47.5%
01/01/2007 through 12/31/2007	154,015	\$20,376,218	\$10,845,488	53.2%	\$132.30	\$70.42	4.6%	57.8%
01/01/2008 through 12/31/2008	251,383	\$37,255,972	\$22,351,102	60.0%	\$148.20	\$88.91	4.6%	64.6%
01/01/2009 through 12/31/2009	378,117	\$61,822,556	\$43,061,456	69.7%	\$163.50	\$113.88	4.6%	74.3%
01/01/2010 through 07/31/2010	255,259	\$46,990,814	\$32,063,797	68.2%	\$184.09	\$125.61	4.6%	72.8%
08/01/2010 through 12/31/2010	204,555	\$41,293,929	\$28,908,127	70.0%	\$201.87	\$141.32	4.6%	74.6%
01/01/2011 through 06/30/2011	219,264	\$48,937,525	\$35,273,994	72.1%	\$223.19	\$160.87	4.6%	76.7%
07/01/2011 through 06/30/2012	320,050	\$81,289,558	\$61,275,861	75.4%	\$253.99	\$191.46	4.6%	80.0%
07/01/2012 through 06/30/2013	208,714	\$60,326,867	\$47,591,199	78.9%	\$289.04	\$228.02	4.6%	83.5%
07/01/2013 through 06/30/2014	136,108	\$44,769,795	\$36,253,912	81.0%	\$328.93	\$266.36	4.6%	85.6%
07/01/2014 through 06/30/2015	88,747	\$32,957,106	\$27,249,743	82.7%	\$371.36	\$307.05	4.6%	87.3%
07/01/2015 through 06/30/2016	57,858	\$24,257,875	\$20,310,336	83.7%	\$419.27	\$351.04	4.6%	88.3%
07/01/2016 through 06/30/2017	24,593	\$11,641,121	\$9,803,835	84.2%	\$473.35	\$398.64	4.6%	88.8%
TOTAL		\$518,077,534	\$377,629,811					
Accumulated Value of Historical Period (1/2006- 12/2010)		\$231,537,091	\$150,307,091	64.9%				69.5%
<u>Present Value of Future Period (1/2011 - 12/2017)</u>		<u>\$274,506,888</u>	<u>\$213,325,099</u>	<u>77.7%</u>				<u>82.3%</u>
Total Lifetime		\$506,043,978	\$363,632,190	71.9%				76.5%

1. Experience period 08/01/2009 to 07/31/2010 and paid through 09/30/2010 used for the development of premiums and claims.
2. Membership for future periods based on actual membership at 07/31/10 and projected monthly with 4.0% new sales assumed through 12/31/2010 and 0% thereafter. Lapse rate of approximately 3.5% monthly.
3. Earned premium in aggregate equals earned premium pmpm multiplied by member months.
4. Incurred claims in aggregate equals incurred claim pmpm multiplied by member months.
5. Earned premium pmpm. Aggregate proposed rate increase of 4.5% is assumed on 1/1/2011.
6. Assumed premium pmpm increases of 13.8% annually for 7/2011 - 6/2014 and 12.9% for 7/2014 and later.
7. Assumed incurred claims pmpm increase of 4.5% on 1/1/2011 due to benefit enhancements and member selection.
8. Assumed incurred claims pmpm trend of 12.9% annually.
9. Assumed incurred claims pmpm increase with claim selection assumption of 1.9% for 8/2010 – 12/2010 and 0% thereafter.
10. Assumed incurred claims pmpm increase with underwriting wear-off off of 5.8% for 8/10 – 12/10, 3.0% for 1/11 – 6/11, 8.7% for 7/11 – 6/12, 5.5% for 7/12 – 6/13, 3.5% for 7/13 – 6/14, 2.1% for 7/14 – 6/15, 1.3% for 7/15 – 6/16, and 0.6% for 7/16 – 6/17.
11. Annual interest rate of 5% used in present value calculations.
12. Incurred loss ratio equals incurred claims divided by earned premium.
13. Credibility adjustment based on average membership in the experience period.
14. Based on experience during the historical period, we calculate a premium stabilization reserve of approximately \$1.6 million.

CALIFORNIA DOCUMENT SUBMISSION FORMSET

California Insurer Number: (NOT NAIC Number)		FOR DEPARTMENT USE ONLY		
Official Insurer Name:		Our File #	Fee Code:	
Submitter and Complete Mailing Address:		Reviewer:		
Submission Date:		Dept Action Date:		
Document Form Number	Doc Type ("Policy," etc)	Document Coverage	Department Action	Fee
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
INSTRUCTIONS: Complete the part of the form to the left of the double vertical line. Enter one document to a numbered line. Use additional formsets if necessary. Be accurate - the copy of this form that we return to you will be your only record of our action on your submission. THIS IS NOT A BILL - DO NOT PAY. YOU WILL RECEIVE A SEPARATE FILING FEE INVOICE SHORTLY; REMIT FEES ONLY WITH THAT INVOICE.				Total \$ Cont'd on ___ pages

DSF 1.35